

for a 5 year loan in the amount of US\$10 million dollars, with monthly payments. The monthly payment at 10% first interest rate is US\$212,470.45 compared to US\$276,189.12 at the 22% second interest rate. A difference of 29.99%, or US\$63,718.67 per month thereby exists. The higher monthly payment amount is continually paid for a predetermined number of payments (first debt service), until the total amount of the reserve fund has been established, even though the local currency exchange rate and economic conditions of the secondary economy remain stable. Thus, the monthly difference of US\$63,718.67 (\$276,189.12 minus \$212,470.45) is used to establish the reserve fund. The amount of the reserve fund becomes an additional benefit or "profit" to the borrowing entity if the reserve fund is never utilized, since the reserve fund is returned to the borrowing entity, if the secondary economy remains stable. The lending model and procedure of the present invention converts the devaluation risk of the exchange rate between the first interest rate of a stable economy and the second interest rate of a secondary economy into generally additional financial benefits and/or profits to the borrowing entity.--